

RESOLUTION NO. 10-26

RESOLUTION OF THE MAYOR AND THE CITY COUNCIL OF THE CITY OF HIALEAH, FLORIDA AUTHORIZING THE PLACEMENT OF PROPERTY INSURANCE THROUGH THE SERVICES OF ARTHUR J. GALLAGHER & CO. (FLORIDA), A FLORIDA CORPORATION, INSURING CITY PROPERTY, INCLUDING, BUT NOT LIMITED TO, BUILDINGS, CONTENTS, PROPERTY, EQUIPMENT, AND VEHICLES, FOR AN ANNUAL PREMIUM OF \$753,862.12, COMMENCING ON MARCH 10, 2010 AND EXPIRING ON MARCH 10, 2011 FOR LAYERED INSURANCE COVERAGE WITH INSURANCE COMPANIES, AS IDENTIFIED IN EXHIBIT "1" ATTACHED HERETO AND MADE A PART HEREOF, OF A COMBINED AND TOTAL MAXIMUM LOSS LIMIT OF \$25 MILLION AGAINST DAMAGES CAUSED BY NATURAL DISASTERS AND TERRORIST ACTS, WITH A DEDUCTIBLE OF \$250,000 PER OCCURRENCE AND A 5% DEDUCTIBLE FOR A NAMED WINDSTORM AND HAIL STORM.

WHEREAS, pursuant to a duly-advertised request for proposal, responses were opened and received on February 16, 2010 from two providers of which only Arthur J. Gallagher & Co. (Florida) submitted a bid and one other provider declined to bid; and

WHEREAS, the City, after extensive research, finds that the insurance costs are substantially less than the cost of comparable coverage for other local governments and public entities in Miami-Dade, Broward and Monroe Counties and that because of the timing and long-standing relationships with the various insurance companies providing coverage, the insurance costs, represents a reasonably low rate.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF HIALEAH, FLORIDA, THAT:

Section 1: The foregoing facts and recitations contained in the preamble to this resolution are hereby incorporated and adopted by reference as if fully set forth herein.

Section 2: The Mayor and the City Council of the City of Hialeah, Florida hereby authorize the placement of property insurance through the services of Arthur J. Gallagher & Co. (Florida), a Florida corporation, insuring city property including, but not limited to, buildings,

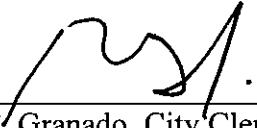
contents, property, equipment and vehicles, for an annual premium of \$753,862.12, commencing on March 10, 2010 and expiring on March 10, 2011 for layered insurance coverage with insurance companies, as identified in Exhibit "1", which is attached hereto and made a part hereof, of a combined and total maximum loss limit of \$25 million against damages caused by natural disasters and terrorist acts with a deductible of \$250,000 per occurrence and a 5% deductible for a named windstorm and hail storm.

PASSED AND ADOPTED this 9th day of March, 2010.


Carlos Hernandez
Council President


Attest:

Approved on this 10th day of March, 2010.


Rafael E. Granado, City Clerk


Mayor Julio Robaina

Approved as to form and legal sufficiency:


William M. Grodnick, City Attorney

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Resolution was adopted by a unanimous vote with Councilmembers, Caragol, Casals-Muñoz, Cue, Garcia-Martinez, Gonzalez, Hernandez, and Yedra voting "Yes".



CITY OF HIALEAH
RFP NO. 2009/10-0240-12-060



Option 1 \$25,000,000 Loss Limit (Revised)
Layer and Premium Schedule
Total Insured Values of \$208,921,635

Coverage	Limit	Carrier	Premium
Primary Property	\$10,000,000	Lexington Insurance Co.	\$ 547,375.00
Excess Property	\$5,000,000 p/o 15,000,000 xs \$10,000,000	Aspen Insurance UK Limited	\$ 55,000.00
Excess Property	\$5,000,000 p/o 15,000,000 xs \$10,000,000	Max Specialty Ins. Co.	\$ 55,000.00
Excess Property	\$5,000,000 p/o 15,000,000 xs \$10,000,000	Endurance American Specialty	\$ 55,000.00
Terrorism	\$25,000,000	Lloyds of London	\$ 19,515.00
Boiler & Machinery	\$100,000,000	Zurich American	\$ 4,379.00
Subtotal			\$ 736,269.00
Endurance Policy Fee			\$ 150.00
FHCFEA (1%)			\$ 7364.19
Citizens Surcharges (1.4%)			\$ 9,975.35
EMPA			\$ 16.00
Boiler & Machinery Surcharges			\$ 87.58
Total			\$ 753,862.12

SUBLIMITS:

\$ 10,000,000 Per Occurrence and Annual Aggregate as respects Flood, except
 \$ 10,000,000 Per Occurrence and Annual Aggregate as respects 100-year Flood Zones
 \$ 10,000,000 Per Occurrence and Annual Aggregate as respects Earthquake
 \$ 10,000,000 Builder's Risk
 \$ 5,000,000 Extra Expense
 \$ 5,000,000 Demolition and Increased Cost of Construction
 \$ 5,000,000 Newly Acquired Property (60 days reporting)
 \$ 1,000,000 Errors and Omissions
 \$ 500,000 Valuable Papers
 \$ 500,000 Accounts Receivable
 \$ 200,000 Fine Arts
 \$ 100,000 Property in Transit
 \$ 100,000 Offsite Storage Locations
 \$ 100,000 Personal Property of insured's Officers & employees while at the insured's premises

PERILS:

All Risk of direct physical loss or damage including Flood, Earthquake, Equipment Breakdown

VALUATION:

Replacement Cost on Buildings, Contents, Fire Trucks and Emergency Vehicles (5) years old or less
 ACV on all other Vehicles and Mobile Equipment

DEDUCTIBLE(S):

\$ 100,000 Per occurrence All Other Perils; **except**
 NFIP Excess of available NFIP for Flood whether purchased or not for locations in the 100 year Flood Zone
 5% Of the Total Insured Values per building at locations involved in the loss or damage, subject to a minimum \$250,000 any one occurrence. (Hurricane & Tropical Storm Deductible Endorsement Applies)

PREMIUM:

35% Minimum Earned Premium except as follows after the beginning of hurricane season
 90% Lexington Insurance Co.
 100% Aspen Specialty
 75% Minimum Max Specialty